



General Assembly

February Session, 2016

Amendment

LCO No. 4068



Offered by:
SEN. CRISCO, 17th Dist.

To: Senate Bill No. 369

File No. 441

Cal. No. 296

"AN ACT REGULATING THE OFFER AND DISSEMINATION OF TRAVEL INSURANCE."

1 Strike everything after the enacting clause and substitute the
2 following in lieu thereof:

3 "Section 1. (NEW) (*Effective October 1, 2016*) (a) As used in this
4 section:

5 (1) "Travel insurance" means insurance, provided under an
6 individual or a group or master insurance policy, for the following
7 personal risks incident to planned travel: (A) Interruption or
8 cancellation of a trip or an event; (B) loss of baggage or personal
9 effects; (C) damage to accommodations or rental vehicles; or (D)
10 sickness, accident, disability or death occurring during travel;

11 (2) "Limited lines travel insurance producer" means a person, as
12 defined in section 38a-1 of the general statutes, that is (A) (i) a
13 managing general underwriter, (ii) a managing general agent or
14 similar administrator, or (iii) an insurance producer, including a

15 limited lines producer, licensed or authorized to do business in this
16 state; and (B) licensed in accordance with subsection (b) of this section
17 to sell, solicit or negotiate travel insurance to residents of this state;

18 (3) "Offer and disseminate" means the provision of general
19 information about travel insurance, including a description of the
20 coverage and price of a travel insurance policy; the processing of an
21 application for a travel insurance policy; the collection of a premium
22 for a travel insurance policy; or the performance of other activities not
23 requiring a license and permitted by the state concerning a travel
24 insurance policy;

25 (4) "Travel retailer" means a business entity that makes, arranges or
26 offers travel services; and

27 (5) "Designated travel retailer" means a travel retailer designated by
28 a limited lines travel insurance producer to offer and disseminate
29 travel insurance to residents of this state on such producer's behalf.

30 (b) (1) (A) Any person seeking a limited lines travel insurance
31 producer license may apply to the Insurance Department, on such
32 form and in such manner as prescribed by the Insurance
33 Commissioner, for licensure as a limited lines travel insurance
34 producer to sell, solicit or negotiate travel insurance through an
35 insurance company licensed or authorized to do business in this state,
36 provided (i) such person and insurance company have paid all
37 applicable application and licensing fees specified in section 38a-11 of
38 the general statutes, as amended by this act, and (ii) the employee
39 designated pursuant to subparagraph (A) of subdivision (3) of this
40 subsection and the president, secretary, treasurer and any other officer
41 or person who directs or controls the insurance operations of the
42 person seeking a limited lines travel insurance producer license has
43 complied with any fingerprinting requirements applicable to insurance
44 producers in the resident state of the person seeking such license. A
45 limited lines travel insurance producer license shall be renewed
46 annually upon payment of the renewal fee specified in said section.

47 (B) The commissioner may:

48 (i) Refuse to issue or renew, for cause, after notice and hearing, a
49 limited lines travel insurance producer license. Any person aggrieved
50 by the action of the commissioner in disapproving or refusing to renew
51 a limited lines travel insurance producer license may appeal therefrom
52 in accordance with the provisions of section 4-183 of the general
53 statutes, except venue for such appeal shall be in the judicial district of
54 New Britain; and

55 (ii) Suspend or revoke a limited lines travel insurance producer
56 license and impose a fine in addition to or in lieu of suspension or
57 revocation, in accordance with section 38a-774 of the general statutes.
58 In addition, the commissioner may issue a cease and desist order
59 suspending the privilege of offering or disseminating travel insurance
60 at specific locations of a travel retailer or by specific employees or
61 authorized representatives of such travel retailer.

62 (C) Any person whose limited lines travel insurance producer
63 license is surrendered, nonrenewed, suspended or revoked shall
64 immediately notify its designated travel retailer or retailers of such
65 surrender, nonrenewal, suspension or revocation.

66 (c) (1) Each limited lines travel insurance producer shall, at the time
67 such license is approved by the commissioner, establish and maintain
68 a registry, on a form prescribed by the commissioner, of its designated
69 travel retailer or retailers. Such producer shall update the registry
70 annually and shall include (A) the name, address and contact
71 information of each designated travel retailer, (B) the name, address
72 and contact information of an officer or individual who directs or
73 controls each designated travel retailer's operations, (C) the federal tax
74 identification number of each designated travel retailer, and (D) a
75 certification by such producer that the designated travel retailer has
76 not engaged in conduct prohibited under 18 USC 1033, as amended
77 from time to time. Upon request by the commissioner, a limited lines
78 travel insurance producer shall make such registry available during

79 the regular business hours of such limited lines travel insurance
80 producer to the commissioner or the commissioner's designee for
81 inspection and examination.

82 (2) Each limited lines travel insurance producer shall designate an
83 employee, who is an insurance producer licensed in this state, as the
84 individual responsible for the limited lines travel insurance producer's
85 compliance with the provisions of this section, including supervision
86 of its designated travel retailers.

87 (3) A limited lines travel insurance producer shall be responsible for
88 the acts of its designated travel retailer and shall use reasonable means
89 to ensure its designated travel retailer's compliance with this section.

90 (4) Each limited lines travel insurance producer shall require each
91 employee and authorized representative of its designated travel
92 retailer to receive instruction or training on the offer and dissemination
93 of travel insurance. Such instruction or training may be subject to
94 review by the commissioner and shall include, at a minimum,
95 information about the types of travel insurance offered through the
96 travel retailer, ethical sales practices and required disclosures to
97 prospective customers.

98 (d) (1) Each limited lines travel insurance producer or designated
99 travel retailer shall provide to purchasers of a travel insurance policy
100 (A) a description of or a copy of the material terms of such policy, (B) a
101 description of the process for filing a claim under such policy, (C) a
102 description of the process for the review or cancellation of such policy,
103 and (D) the identity of and contact information for the insurance
104 company issuing such policy and the limited lines travel insurance
105 producer.

106 (2) A travel retailer that does not employ a licensed insurance
107 producer or is not licensed or authorized to transact the business of
108 insurance in this state may offer and disseminate travel insurance to
109 residents of this state, provided (A) it is a designated travel retailer,
110 and (B) its travel insurance-related activities are limited to those

111 authorized under this section.

112 (3) A travel retailer shall make available to prospective customers
113 brochures or other written materials that (A) provide the identity of
114 and contact information for the insurance company issuing the travel
115 insurance policy and the limited lines travel insurance producer, (B)
116 explain that the purchase of travel insurance is not required to
117 purchase any other product or service from the travel retailer, and (C)
118 explain that such travel retailer is permitted to provide general
119 information about the travel insurance offered through the travel
120 retailer, including a description of the coverage and price, but is not
121 qualified or authorized to answer questions about the terms and
122 conditions of such insurance or evaluate the adequacy of the
123 prospective customer's existing insurance coverage.

124 (4) A designated travel retailer may receive compensation from a
125 limited lines travel insurance producer or the insurance company
126 issuing a travel insurance policy, for services related to the offer and
127 dissemination of travel insurance, as agreed to by such designated
128 travel retailer and such limited lines travel insurance producer or
129 insurance company.

130 (5) No employee or authorized representative of a travel retailer
131 shall be required to be licensed as an insurance producer, provided no
132 such employee or authorized representative (A) evaluates or interprets
133 the terms, benefits or conditions of travel insurance offered by the
134 travel retailer, (B) evaluates or provides advice regarding a prospective
135 customer's existing insurance coverage, or (C) holds himself or herself
136 out as a licensed insurance producer or an insurance expert.

137 (e) (1) A violation of this section by a limited lines travel insurance
138 producer shall be deemed an unfair or deceptive insurance practice
139 under section 38a-816 of the general statutes.

140 (2) A violation of this section by a travel retailer shall be deemed an
141 unfair or deceptive trade practice under subsection (a) of section 42-
142 110b of the general statutes.

143 Sec. 2. Subsection (a) of section 38a-11 of the 2016 supplement to the
144 general statutes is repealed and the following is substituted in lieu
145 thereof (*Effective October 1, 2016*):

146 (a) The commissioner shall demand and receive the following fees:
147 (1) For the annual fee for each license issued to a domestic insurance
148 company, two hundred dollars; (2) for receiving and filing annual
149 reports of domestic insurance companies, fifty dollars; (3) for filing all
150 documents prerequisite to the issuance of a license to an insurance
151 company, two hundred twenty dollars, except that the fee for such
152 filings by any health care center, as defined in section 38a-175, shall be
153 one thousand three hundred fifty dollars; (4) for filing any additional
154 paper required by law, thirty dollars; (5) for each certificate of
155 valuation, organization, reciprocity or compliance, forty dollars; (6) for
156 each certified copy of a license to a company, forty dollars; (7) for each
157 certified copy of a report or certificate of condition of a company to be
158 filed in any other state, forty dollars; (8) for amending a certificate of
159 authority, two hundred dollars; (9) for each license issued to a rating
160 organization, two hundred dollars. In addition, insurance companies
161 shall pay any fees imposed under section 12-211; (10) a filing fee of
162 fifty dollars for each initial application for a license made pursuant to
163 section 38a-769; (11) with respect to insurance agents' appointments:
164 (A) A filing fee of fifty dollars for each request for any agent
165 appointment, except that no filing fee shall be payable for a request for
166 agent appointment by an insurance company domiciled in a state or
167 foreign country which does not require any filing fee for a request for
168 agent appointment for a Connecticut insurance company; (B) a fee of
169 one hundred dollars for each appointment issued to an agent of a
170 domestic insurance company or for each appointment continued; and
171 (C) a fee of eighty dollars for each appointment issued to an agent of
172 any other insurance company or for each appointment continued,
173 except that (i) no fee shall be payable for an appointment issued to an
174 agent of an insurance company domiciled in a state or foreign country
175 which does not require any fee for an appointment issued to an agent
176 of a Connecticut insurance company, and (ii) the fee shall be twenty

177 dollars for each appointment issued or continued to an agent of an
178 insurance company domiciled in a state or foreign country with a
179 premium tax rate below Connecticut's premium tax rate; (12) with
180 respect to insurance producers: (A) An examination fee of fifteen
181 dollars for each examination taken, except when a testing service is
182 used, the testing service shall pay a fee of fifteen dollars to the
183 commissioner for each examination taken by an applicant; (B) a fee of
184 eighty dollars for each license issued; (C) a fee of eighty dollars per
185 year, or any portion thereof, for each license renewed; and (D) a fee of
186 eighty dollars for any license renewed under the transitional process
187 established in section 38a-784; (13) with respect to public adjusters: (A)
188 An examination fee of fifteen dollars for each examination taken,
189 except when a testing service is used, the testing service shall pay a fee
190 of fifteen dollars to the commissioner for each examination taken by an
191 applicant; and (B) a fee of two hundred fifty dollars for each license
192 issued or renewed; (14) with respect to casualty claims adjusters: (A)
193 An examination fee of twenty dollars for each examination taken,
194 except when a testing service is used, the testing service shall pay a fee
195 of twenty dollars to the commissioner for each examination taken by
196 an applicant; (B) a fee of eighty dollars for each license issued or
197 renewed; and (C) the expense of any examination administered
198 outside the state shall be the responsibility of the entity making the
199 request and such entity shall pay to the commissioner two hundred
200 dollars for such examination and the actual traveling expenses of the
201 examination administrator to administer such examination; (15) with
202 respect to motor vehicle physical damage appraisers: (A) An
203 examination fee of eighty dollars for each examination taken, except
204 when a testing service is used, the testing service shall pay a fee of
205 eighty dollars to the commissioner for each examination taken by an
206 applicant; (B) a fee of eighty dollars for each license issued or renewed;
207 and (C) the expense of any examination administered outside the state
208 shall be the responsibility of the entity making the request and such
209 entity shall pay to the commissioner two hundred dollars for such
210 examination and the actual traveling expenses of the examination
211 administrator to administer such examination; (16) with respect to

212 certified insurance consultants: (A) An examination fee of twenty-six
213 dollars for each examination taken, except when a testing service is
214 used, the testing service shall pay a fee of twenty-six dollars to the
215 commissioner for each examination taken by an applicant; (B) a fee of
216 two hundred fifty dollars for each license issued; and (C) a fee of two
217 hundred fifty dollars for each license renewed; (17) with respect to
218 surplus lines brokers: (A) An examination fee of twenty dollars for
219 each examination taken, except when a testing service is used, the
220 testing service shall pay a fee of twenty dollars to the commissioner for
221 each examination taken by an applicant; and (B) a fee of six hundred
222 twenty-five dollars for each license issued or renewed; (18) with
223 respect to fraternal agents, a fee of eighty dollars for each license
224 issued or renewed; (19) a fee of twenty-six dollars for each license
225 certificate requested, whether or not a license has been issued; (20)
226 with respect to domestic and foreign benefit societies: [shall pay:] (A)
227 For service of process, fifty dollars for each person or insurer to be
228 served; (B) for filing a certified copy of its charter or articles of
229 association, fifteen dollars; (C) for filing the annual report, twenty
230 dollars; and (D) for filing any additional paper required by law, fifteen
231 dollars; (21) with respect to foreign benefit societies: (A) For each
232 certificate of organization or compliance, fifteen dollars; (B) for each
233 certified copy of permit, fifteen dollars; and (C) for each copy of a
234 report or certificate of condition of a society to be filed in any other
235 state, fifteen dollars; (22) with respect to reinsurance intermediaries, a
236 fee of six hundred twenty-five dollars for each license issued or
237 renewed; (23) with respect to life settlement providers: (A) A filing fee
238 of twenty-six dollars for each initial application for a license made
239 pursuant to section 38a-465a; and (B) a fee of forty dollars for each
240 license issued or renewed; (24) with respect to life settlement brokers:
241 (A) A filing fee of twenty-six dollars for each initial application for a
242 license made pursuant to section 38a-465a; and (B) a fee of forty dollars
243 for each license issued or renewed; (25) with respect to preferred
244 provider networks, a fee of two thousand seven hundred fifty dollars
245 for each license issued or renewed; (26) with respect to rental
246 companies, as defined in section 38a-799, a fee of eighty dollars for

247 each permit issued or renewed; (27) with respect to medical discount
 248 plan organizations licensed under section 38a-479rr, a fee of six
 249 hundred twenty-five dollars for each license issued or renewed; (28)
 250 with respect to pharmacy benefits managers, an application fee of one
 251 hundred dollars for each registration issued or renewed; (29) with
 252 respect to captive insurance companies, as defined in section 38a-91aa,
 253 a fee of three hundred seventy-five dollars for each license issued or
 254 renewed; (30) with respect to each duplicate license issued a fee of fifty
 255 dollars for each license issued; (31) with respect to surety bail bond
 256 agents, as defined in section 38a-660, (A) a filing fee of one hundred
 257 fifty dollars for each initial application for a license, and (B) a fee of one
 258 hundred dollars for each license issued or renewed; (32) with respect
 259 to third-party administrators, as defined in section 38a-720, (A) a fee of
 260 five hundred dollars for each license issued, and (B) a fee of four
 261 hundred fifty dollars for each license renewed; [and] (33) with respect
 262 to portable electronics insurance licenses under section 38a-397, (A) a
 263 filing fee of one hundred dollars for each initial application for a
 264 license, (B) a fee of five hundred dollars for each license issued, and (C)
 265 a fee of four hundred fifty dollars for each license renewed; and (34)
 266 with respect to limited license travel insurance producer licenses under
 267 section 1 of this act, (A) a filing fee of one hundred dollars for each
 268 initial application for a license, (B) a fee of six hundred fifty dollars for
 269 each license issued, and (C) a fee of six hundred fifty dollars for each
 270 license renewed."

This act shall take effect as follows and shall amend the following sections:		
Section 1	October 1, 2016	New section
Sec. 2	October 1, 2016	38a-11(a)